

The George Hotel.

Huddersfield

Operator / Tenant Search Opportunity

Presented in partnership with



Queensberry

Colliers

Welcome to The George

Welcome to Huddersfield

Colliers International has been retained by Queensberry and Kirklees Council (collectively "The Client") to conduct an operator and tenant search for a proposed hotel in central Huddersfield.

The proposed hotel will be created by the redevelopment and extension of the former George Hotel, which closed in 2013. The hotel is also part of the redevelopment of the prestigious St. George's Square – the traditional heart of the town, creating a new 'Station Gateway' quarter, with new residential and office development, a modernised Railway Station and the Transpennine Upgrade.

The hotel site benefits from an excellent accessibility, with Huddersfield railway station directly opposite the hotel. It is also situated within direct proximity of some of Huddersfield's key demand drivers and visitor attractions.

Huddersfield is one of the largest towns in the UK yet to be granted city status. It lies in the metropolitan area of Kirklees in West Yorkshire, northern England. It sits close to the Pennines, 14 miles south-west of Leeds, 12 miles west of Wakefield and 24 miles north-east of Manchester. It's location close to the M62 provides strong access to popular regional visitor attractions such as the National Science and Media Museum (Bradford) and Yorkshire Sculpture Park (Wakefield).

Huddersfield will undergo significant regeneration in the next ten years. The £500 million "Huddersfield Blueprint" investment by the council and key partners will involve £250 million of direct investment in the town centre, with further investment in the Southgate Medical Campus and Transpennine Upgrade and deliver regeneration to six key areas, aimed at further enhancing the appeal of the town and acting as a catalyst for further inward investment.

The hometown of Rugby League and Harold Wilson, Huddersfield has a strong historical heritage. In fact the Rugby League was formed following a meeting at the George Hotel. The future growth potential for the town is significant, with it's excellent geographical location and planned regeneration schemes fuelling increasing hotel demand.

The opportunity

An exciting opportunity for a Hotel Management Agreement (HMA) or Lease in central Huddersfield.

The project is promoted by Queensberry, a leader in both public and private sector regeneration schemes and refurbishments across the UK.

The proposed hotel will see the restoration and refurbishment of a former iconic hotel building which is owned by Kirklees Council.

The limited supply of upscale full-service branded hotels in Huddersfield presents a strong market opportunity for an upscale plus lifestyle hotel concept in this excellent location, particularly in view of the major regeneration schemes either planned and/or underway which will undoubtedly drive interest and visitation to the town.

This scheme includes the new “Cultural Heart” in the Queensgate and Piazza Area, the Civic Quarter and Station Gateway, which will collectively significantly raise the visitor appeal and sense of place within the town.

Performance data for a sample of hotels within the local and wider surrounding area show occupancy of around 69% to 72% pre-pandemic, at an ADR of around £51 to £55. That said, given the very limited quality supply base within Huddersfield itself, we believe a new high-quality hotel will both induce demand and significantly outperform the local market performance.

View of The George Hotel from St George's Square







Site location and access

The proposed hotel occupies a prominent location on St. Georges Square, placing it within easy access of both the road and rail network.

It is situated approximately 190 miles from London and well located for other major northern conurbations such as Leeds/Bradford (c.14 miles), Sheffield (c. 23 miles) and Manchester (24 miles).

Locally, it lies within close proximity to several key demand drivers including Huddersfield Town Hall, Kingsgate Shopping Centre and Huddersfield’s Business Improvement District (BID).

-  The George Hotel
-  Points of Interest
-  Kirklees Cultural Heart
-  Roads
-  Trainline

Getting to Huddersfield

By Road

Car access to the site is provided via the A62 (Southgate) and Northumberland Street. Due to the site’s location, areas within Huddersfield city centre are easily accessible.

By Rail

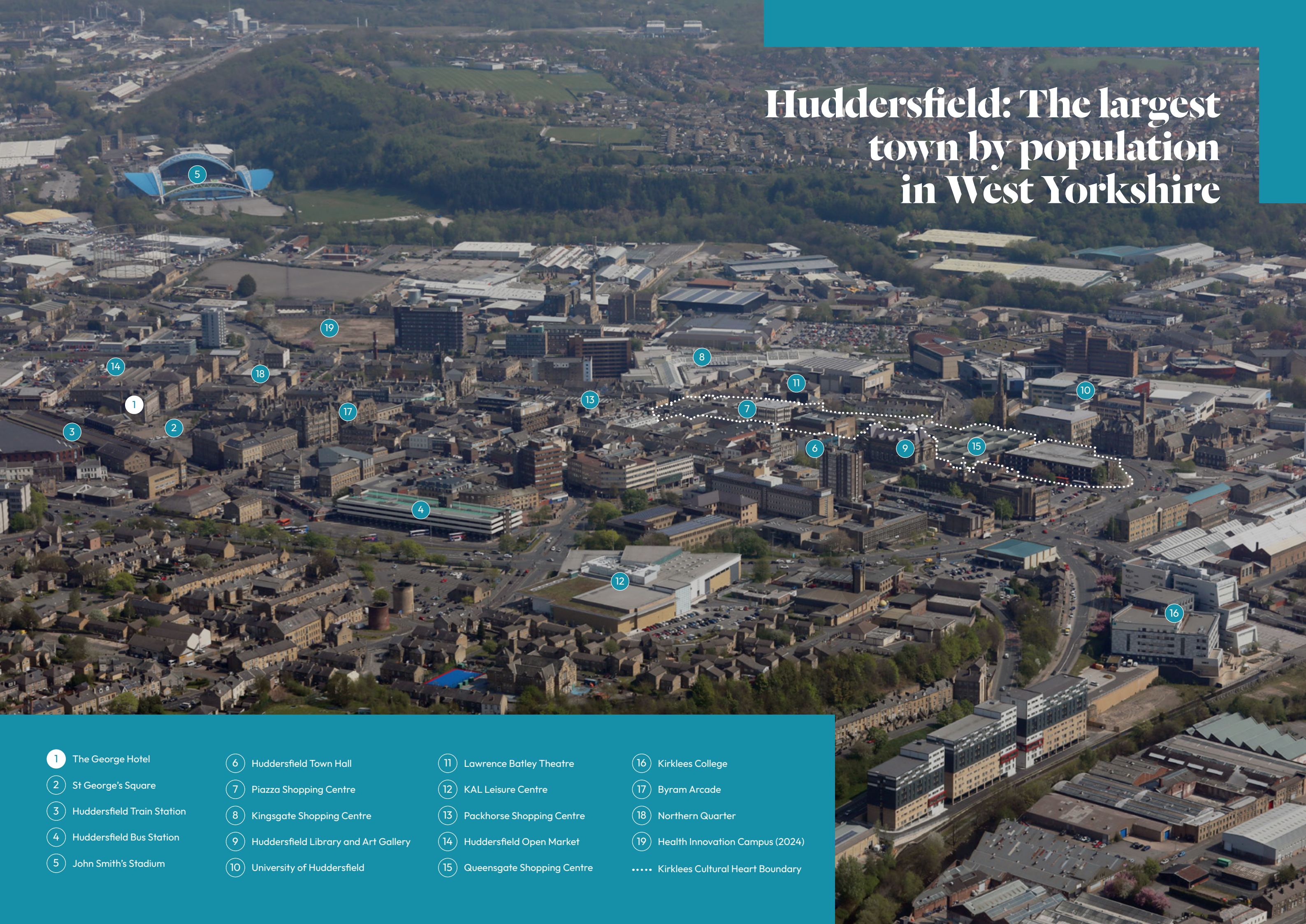
The site is adjacent to Huddersfield Station – Situated on the North Trans-Pennine route, Huddersfield is well-connected by rail. The Integrated Rail Plan for the North and Midlands included full electrification and quadrupling of the track between Huddersfield and Westtown (Dewsbury).

By Air

The site is approximately equidistant from both Manchester and Leeds Bradford Airport, situated around 28 miles and 23 miles away respectively, and both within around 50 minutes’ drive of the site.



Huddersfield: The largest town by population in West Yorkshire

- 
- 1 The George Hotel
2 St George's Square
3 Huddersfield Train Station
4 Huddersfield Bus Station
5 John Smith's Stadium
6 Huddersfield Town Hall
7 Piazza Shopping Centre
8 Kingsgate Shopping Centre
9 Huddersfield Library and Art Gallery
10 University of Huddersfield
11 Lawrence Batley Theatre
12 KAL Leisure Centre
13 Packhorse Shopping Centre
14 Huddersfield Open Market
15 Queensgate Shopping Centre
16 Kirklees College
17 Byram Arcade
18 Northern Quarter
19 Health Innovation Campus (2024)
..... Kirklees Cultural Heart Boundary

Huddersfield

Huddersfield is a large market town and the administrative centre of the Metropolitan Borough of Kirklees, West Yorkshire.

The town has an estimated metropolitan area population of 172,607 (2020) and is one of the largest towns in the UK yet to achieve city status.

Regeneration

Huddersfield has a 10-year vision, known as “the Huddersfield BluePrint”, to create a thriving ‘Cultural Heart’ in the town centre. The regeneration was first proposed in 2019 and it is expected to complete in 2029. The total regeneration plan is valued at over £500 million and will involve £250 million of direct investment in the town centre, with further investment in the Southgate Medical Campus and Transpennine Upgrade. It will aim to further enhance the appeal of the town and to catalyse further inward investment.

Other significant regeneration schemes include: The Civic Quarter which captures the site of current Civic buildings, the Magistrates’ Court and the Bus Station; New Street, a modern high street which is split into two distinct halves, New Street North and New Street South; and St. Peter’s which will see the creation of modern co-working spaces and studios within historic buildings to establish a growing creative hub.

Through its Property Investment Fund (PIF), the Council is working to improve on both the town’s leisure attractions and student accommodation, with the addition of a cinema in the Kingsgate Shopping Centre and the 120 student bedspaces in the former Co-op building on 103 New Street.



Current key initiatives and redevelopment schemes within Huddersfield include:

Station Gateway

The Trans-Pennine Upgrade will provide opportunities to enhance the station with good quality waiting areas and a choice of eating, drinking and convenience shopping.

A new Station Square will provide an arrival space, drop off zone and new entrance to the station. Importantly, the lower levels of St George’s Warehouse (the adjacent building) can be converted into a car park, with the upper floors into office space or apartments. This will connect the warehouse to the town.

The Cultural Heart

Built around Queensgate and the library buildings, the Cultural Heart will include a library, art gallery, museum and live music venue in the Piazza and Queensgate area. This will be supported by restaurants, bars, cafés and the Lawrence Batley Theatre.

There will be an entirely new venue with a capacity of between 1,200 and 2,500, as well as a new food hall in the Piazza Centre and an urban park.

Hotel demand generators

Historically based around high quality products in engineering, textiles, chemicals and foodstuffs, in more recent years the local economy has diversified into a broader spread of manufacturing and service industries.

Huddersfield has a strong heritage and link to Rugby League as the birthplace of the sport, which was founded at The George Hotel in 1895. Over the next ten years, the significant regeneration and investment planned for the town will transform Huddersfield, helping to stimulate and induce demand for domestic and international tourism.

Business / Commercial

- Huddersfield has an established reputation for manufacturing and engineering.
- Local design, process, electrical and mechanical engineering activities, as well as technical textiles, are critical to the automotive, energy and low carbon supply chains, providing items such as gears, valves, pumps and turbo chargers.
- Manufacturing makes up a quarter of the Kirklees economy (Gross Value Added of £1.5 billion). This sector employs over 25,000 people, equating to 17% of jobs and the 3rd highest figure in England.
- Out of the 19,000 students who study at the University of Huddersfield, approximately 76% of graduates move into local employment. Given the presence of leading global companies such as Syngenta (now part of ChemChina), Cummins Turbo Technologies, VTL and David Brown, there is potential for the area to become an advanced technology / innovation hub. Since the sale of the former sports centre site to Huddersfield University, it is uniquely placed to take a leading role in its delivery of the National Health Innovation Campus, which will create the largest, most dynamic centre for workforce development in the North of England.
- Over 2,000 businesses started in 2012, a figure above the national average. Over 40% of firms source more than half of their resources locally.
- Huddersfield is part of the Leeds City Region Growth Enterprise Partnership (LEP) Deal – a £1 billion package of government investment to accelerate growth and create jobs in the region.
- The Huddersfield Incubation and Innovation Project (HIIP) will receive almost £3 million of funding from the Deal, which will prioritise SME support and access to new and emerging technologies. It is the intention that Huddersfield will take centre stage in driving forward a 21st century smart manufacturing revolution in the UK.





Castle Hill



Clock Tower at Ravensknowle Park



Huddersfield Town Hall



Greenhead Park



Huddersfield Open Market

Leisure

- Domestic tourism to Kirklees has increased in recent years, particularly in terms of the volume of visitor nights, which was recorded at an average of 845,000 per year in 2017-2019 (the latest available published data).
- Approximately 17% of tourists to West Yorkshire originate from overseas, highlighting not only the importance of the domestic visitor market, but also the appeal of attractions within the wider area to international visitors.
- Huddersfield is well-located between two major tourist cities – Manchester and Leeds. The Peak District is situated south of Huddersfield, which attracts approximately 13.25 million visitors annually.
- The town has a strong sporting heritage and is home to the Huddersfield Giants rugby league team and Huddersfield Town Football Club. Both teams play at the John Smith's Stadium, which has a capacity of 24,500. The multi-use stadium also plays host to a number of functions and events.
- The city offers a selection of event spaces including Oakwell Hall – which is licensed for civil ceremonies and partnerships.
- Huddersfield offers several museums and galleries, such as Tolson Museum, Bagshaw Museum and Huddersfield Art Gallery – with Francis Bacon and Henry Moore's work on display.



Market Avenue



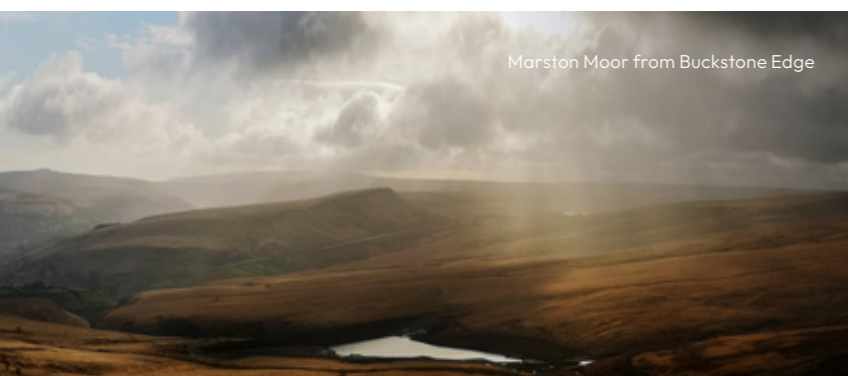
Huddersfield Library and Art Gallery



Lion Statue atop Lion Chambers



John Smith's Stadium



Marston Moor from Buckstone Edge



Huddersfield Narrow Canal

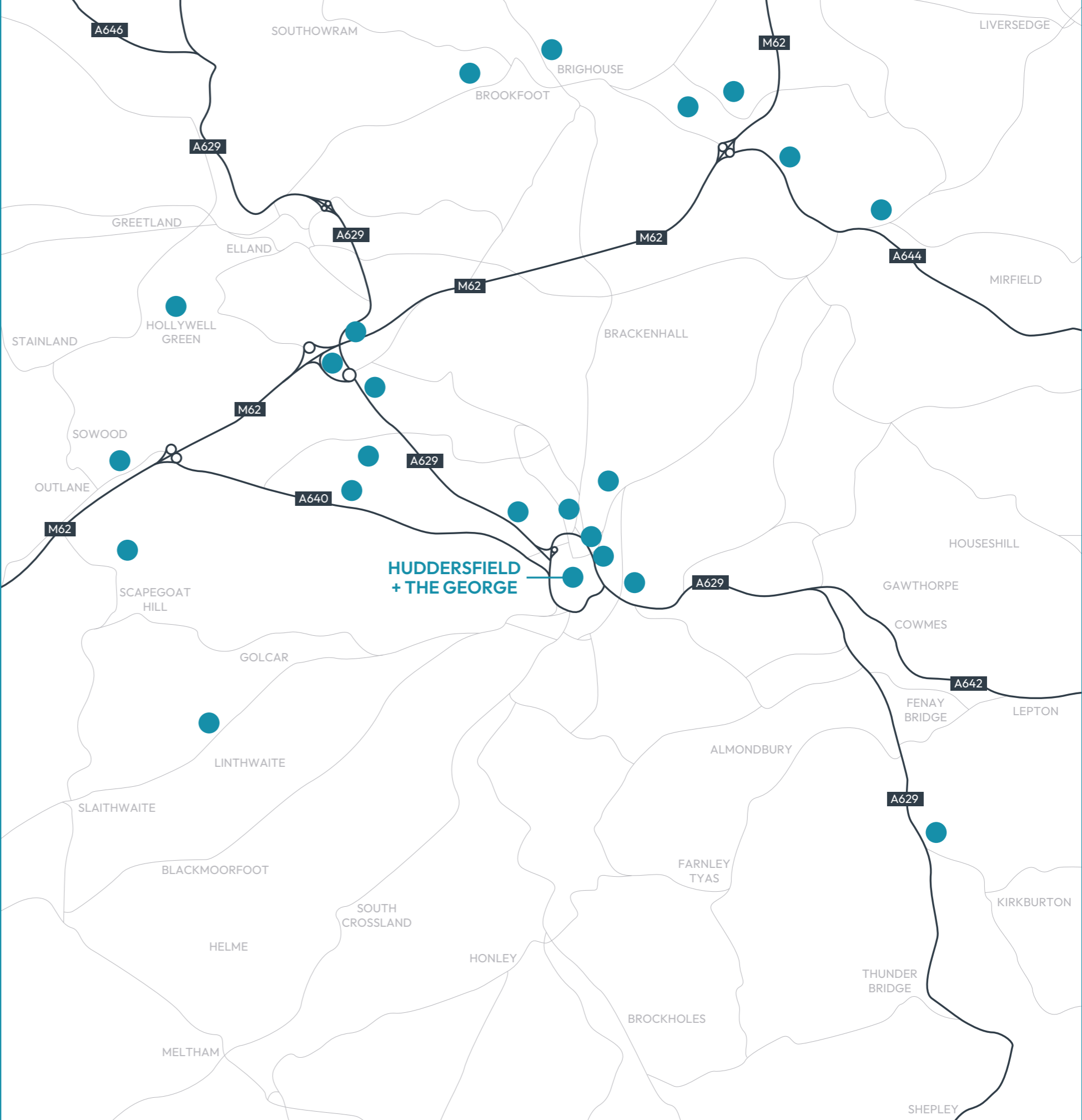
Current supply

There are currently 22 hotels with 10 or more bedrooms within a 4-mile radius of The George Hotel.

Hotels in Huddersfield are predominately situated on the outskirts of Huddersfield and close to the M62.

- The majority (64%) of hotels are independently owned and operated, with just over a third of hotels in the market area being nationally or internationally branded.
- Luxury and upscale properties in Huddersfield represent 36% of the total hotel supply in the area, demonstrating high demand for this type of product.
- There are currently no hotels positioned within the upper upscale hotel, highlighting a market gap and potential opportunity for this type of hotel product at The George Hotel.

HOTEL CLASS	HOTELS	ROOMS	% OF ROOMS
Luxury	1	11	1.1%
Upscale	7	277	28.0%
Upper Midscale	6	319	32.3%
Midscale	2	62	6.3%
Economy	6	320	32.3%
TOTAL	22	989	100%



Source: CoStar Hotels Database (powered by STR)

Local hotel performance

With a limited local hotel supply base, particularly with Huddersfield itself, we have commissioned a bespoke hotel data performance report from STR, a leading global provider of hotel benchmark data.

- The sample comprises of 7 hotels providing a total of 546 rooms, all positioned within the upper midscale to upper upscale sectors.
- Prior to the onset of the global Covid-19 pandemic, occupancy for the set was recorded at around 69% to 73% between 2017 and 2019, before falling to 46% for the periods when hotels were open and trading during 2020.
- Encouragingly, 2021 saw almost 40% growth in occupancy despite further periods of closure linked to national lockdowns, climbing to over 64% and reaching almost 90% of 2019 levels (based on data for the open and trading periods).
- ADR for the set had been displaying positive growth prior to the pandemic, up from £50.98 in 2017 to £55.12 in 2019. In line with the regional UK market trend, the impact of the pandemic on ADR in 2020 was far less pronounced than on demand (occupancy), with local hoteliers largely holding rate despite significantly suppressed levels of demand. Positively, 2021 saw return to ADR growth, recorded at £58.86, surpassing that achieved in the few years prior to the pandemic.
- Overall, this resulted in a RevPAR of £37.90 in 2021, noticeable ahead of 2020 performance and reaching 95% of 2019 levels. We consider the future outlook for 2022 and 2023, in particular, to be highly positive for the local market, ad especially moving beyond this as the regeneration of Huddersfield evolves.
- Furthermore, due to the limited branded supply base, we would expect a nationally branded upscale plus lifestyle hotel to outperform the data set and induce local demand – achieving both an occupancy and ADR above the 2019 market average, particularly in terms of rate.



- ADR
- RevPAR
- Occupancy

Source: STR (owned by CoStar)

Note: due to periods of national lockdown and data protection criteria to avoid an over-dominance or isolation of any one brand, sample sizes vary across the years. 2020 and 2021 are based on 10-month periods excluding November and December, when an insufficient number of hotels remained open and trading to report data.

The proposed hotel scheme.

The proposed hotel will comprise of the restoration and renovation of the existing George Hotel building, alongside an extension to the rear and side, which will be constructed across six floors in line with the building's existing configuration (subject to planning permission).

Preliminary design and floorplans show the proposed hotel will comprise of the following facilities:

- 92 bedrooms, with a broad mix of room types and sizes including suites and family rooms.
- Banqueting / events space for approximately 140 covers (166 sqm) and a gym (40 sqm) at lower ground level.
- A bar/ restaurant / dining experience (207 sqm) at mezzanine level, alongside a reception (30 sqm), conference room (76 sqm) and guest lounge (32 sqm).
- Multi-purpose conference and private dining room (53 sqm) at first floor level.
- The total Gross Internal Area (GIA) of the proposed hotel site is 5117 sqm.



Current status of The George Hotel



View of The George Hotel looking down John William Street

Schedule of accommodation (GIA)

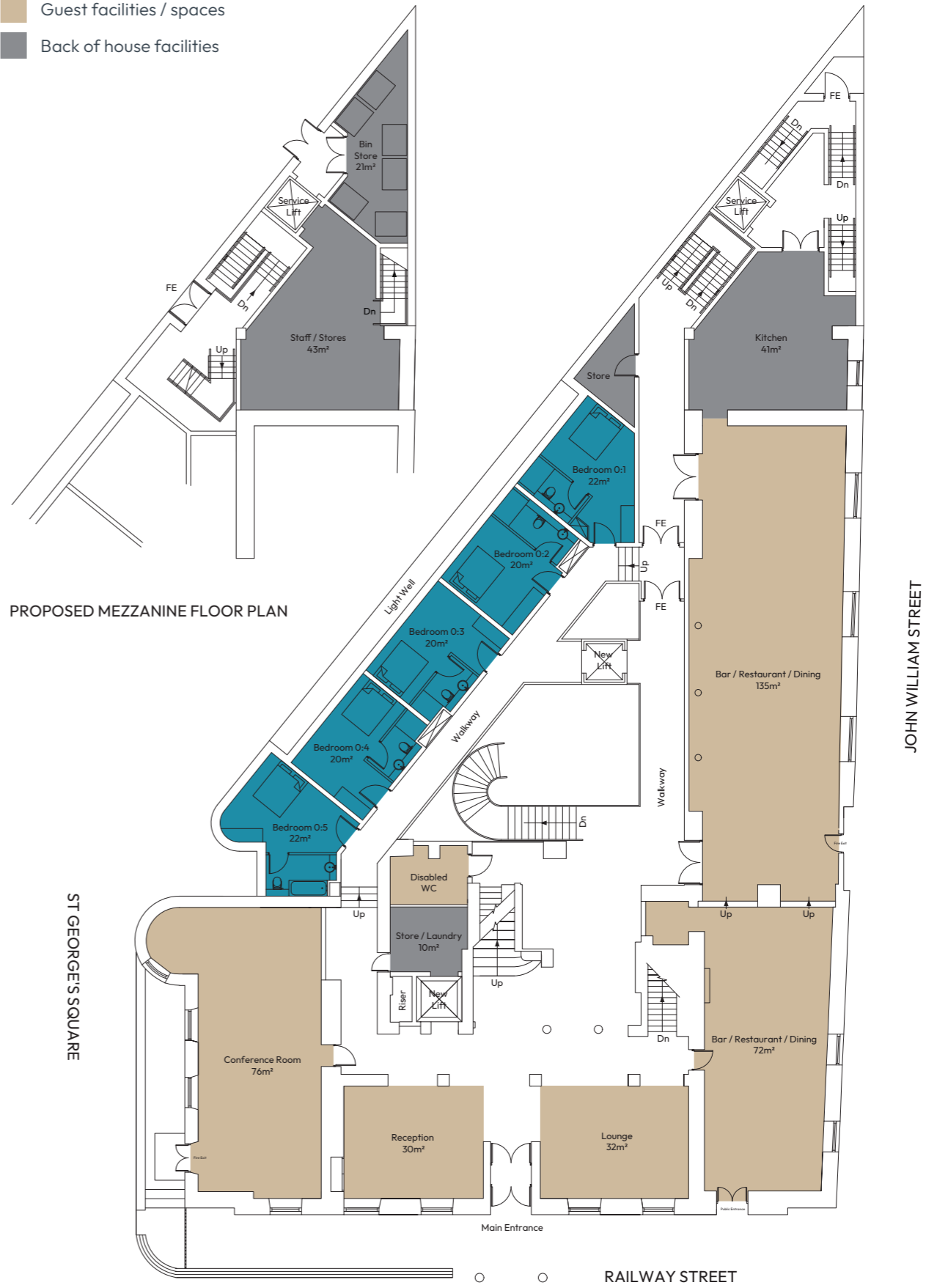
All plans and areas are preliminary and subject to change.

FLOOR	USE	NO. HOTEL SUITES	TOTAL SPACE (SQ FT)	TOTAL SPACE (SQ M)
Basement	Facilities	–	9978	927
Ground	Facilities / Suites	5	9020	838
Mezzanine	Facilities	–	1184	110
First	Suites	20	8923	829
Second	Suites	23	8837	821
Third	Suites	23	8773	815
Fourth	Suites	21	7825	727
Roof	Plant	–	538	50
TOTAL		92	55078	5117



Proposed Ground Floor Plan

- Hotel suites
- Guest facilities / spaces
- Back of house facilities

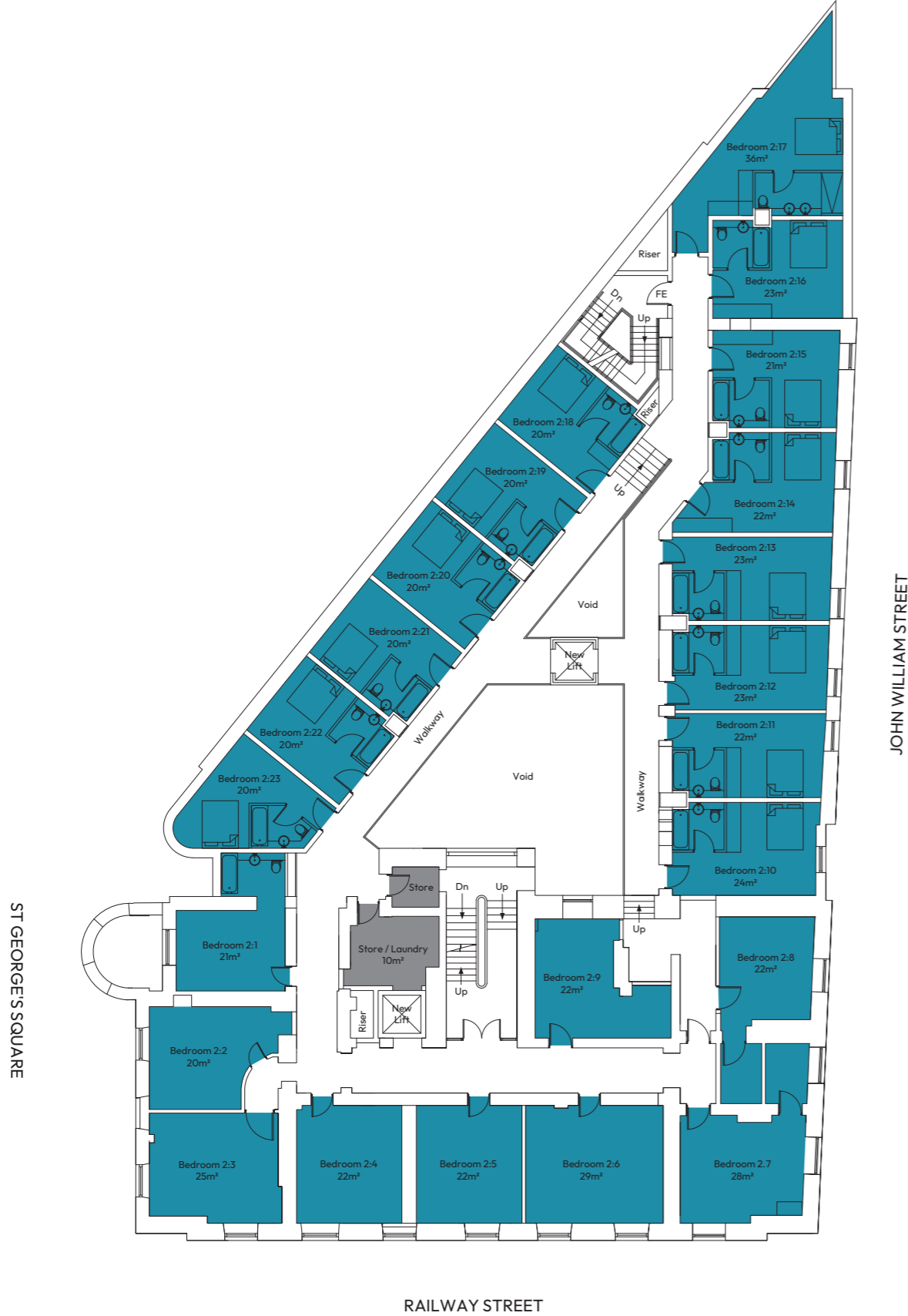


- Hotel suites
- Guest facilities / spaces
- Back of house facilities

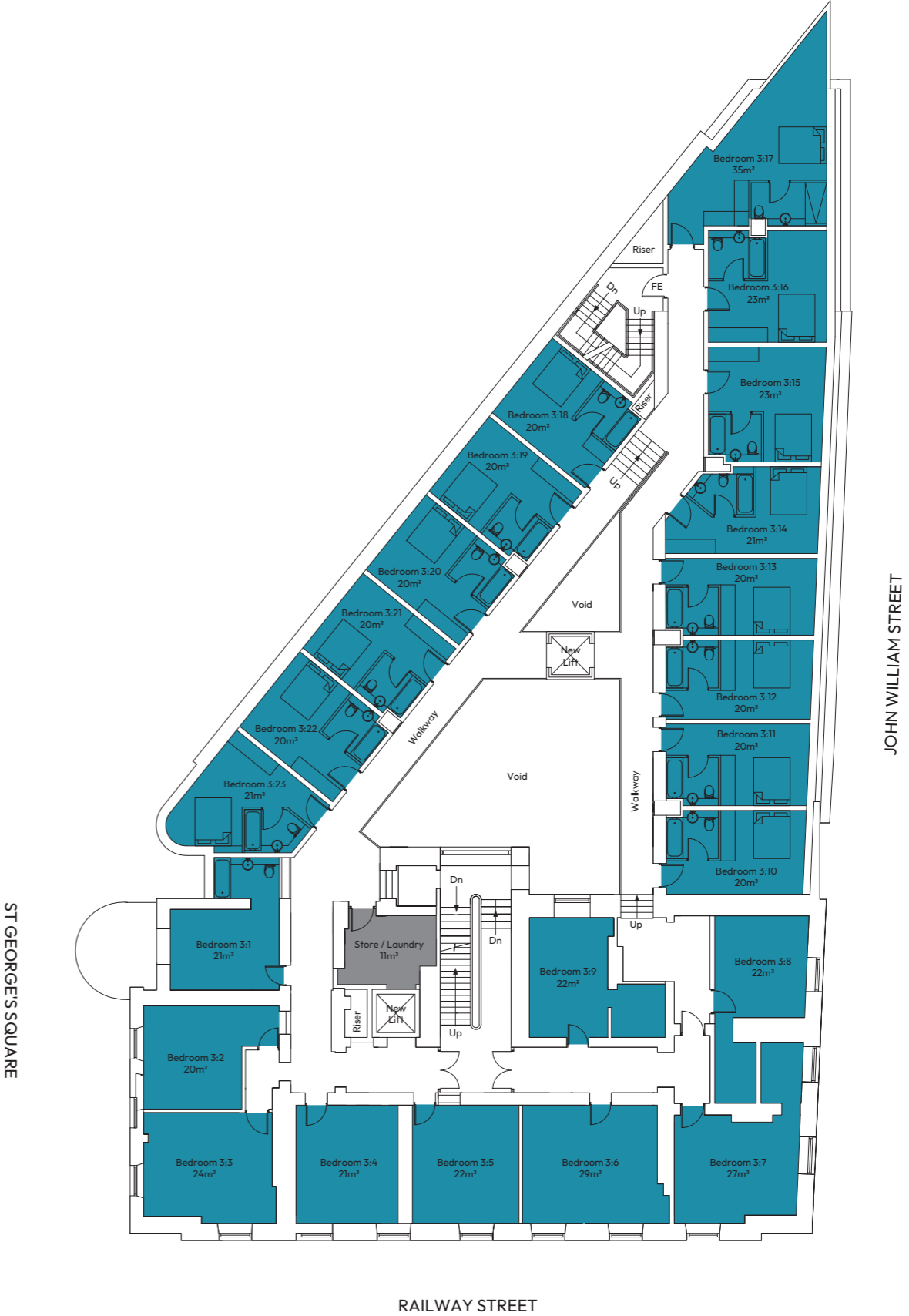


Proposed Second Floor Plan

- Hotel suites
- Back of house facilities

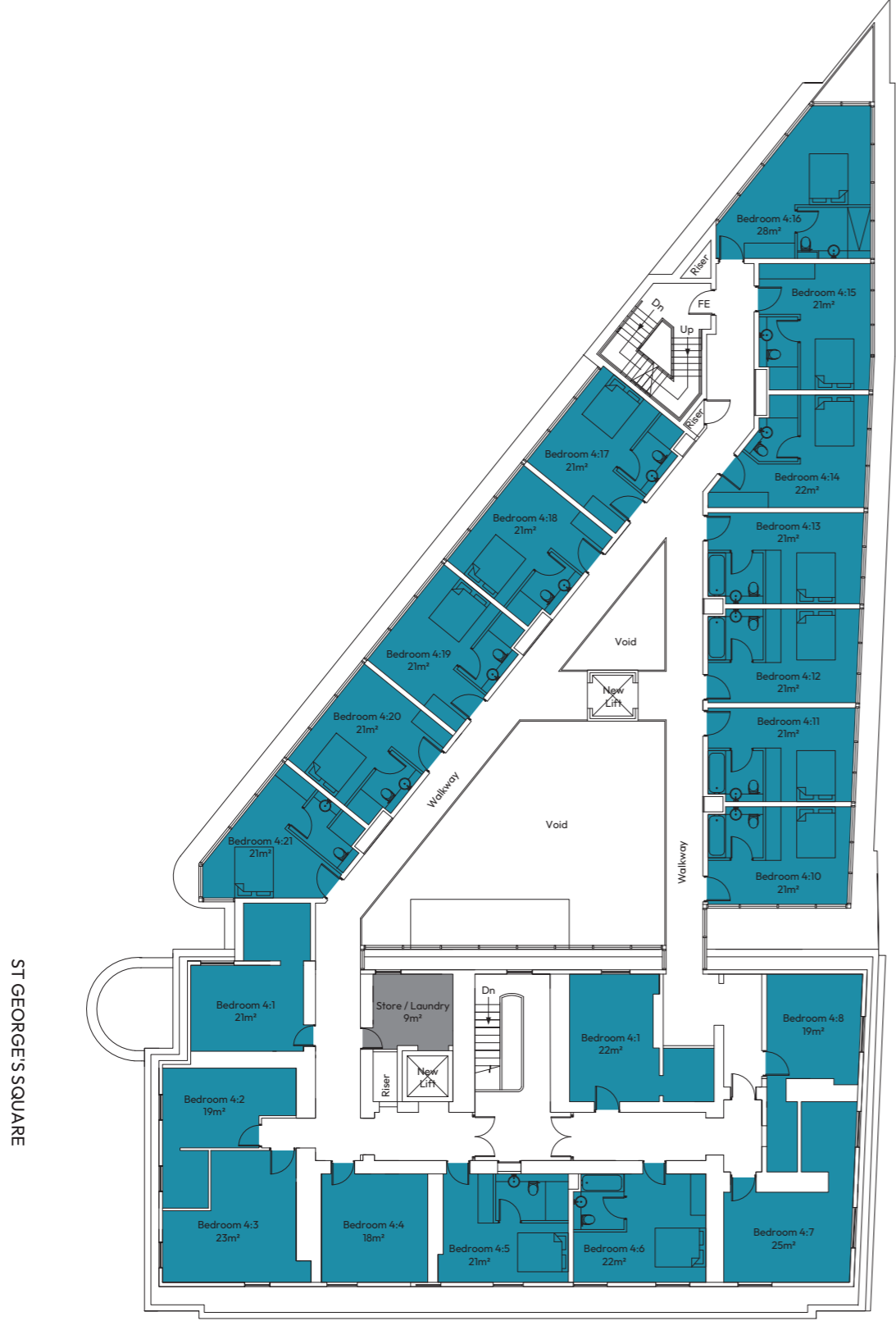


Proposed Third Floor Plan

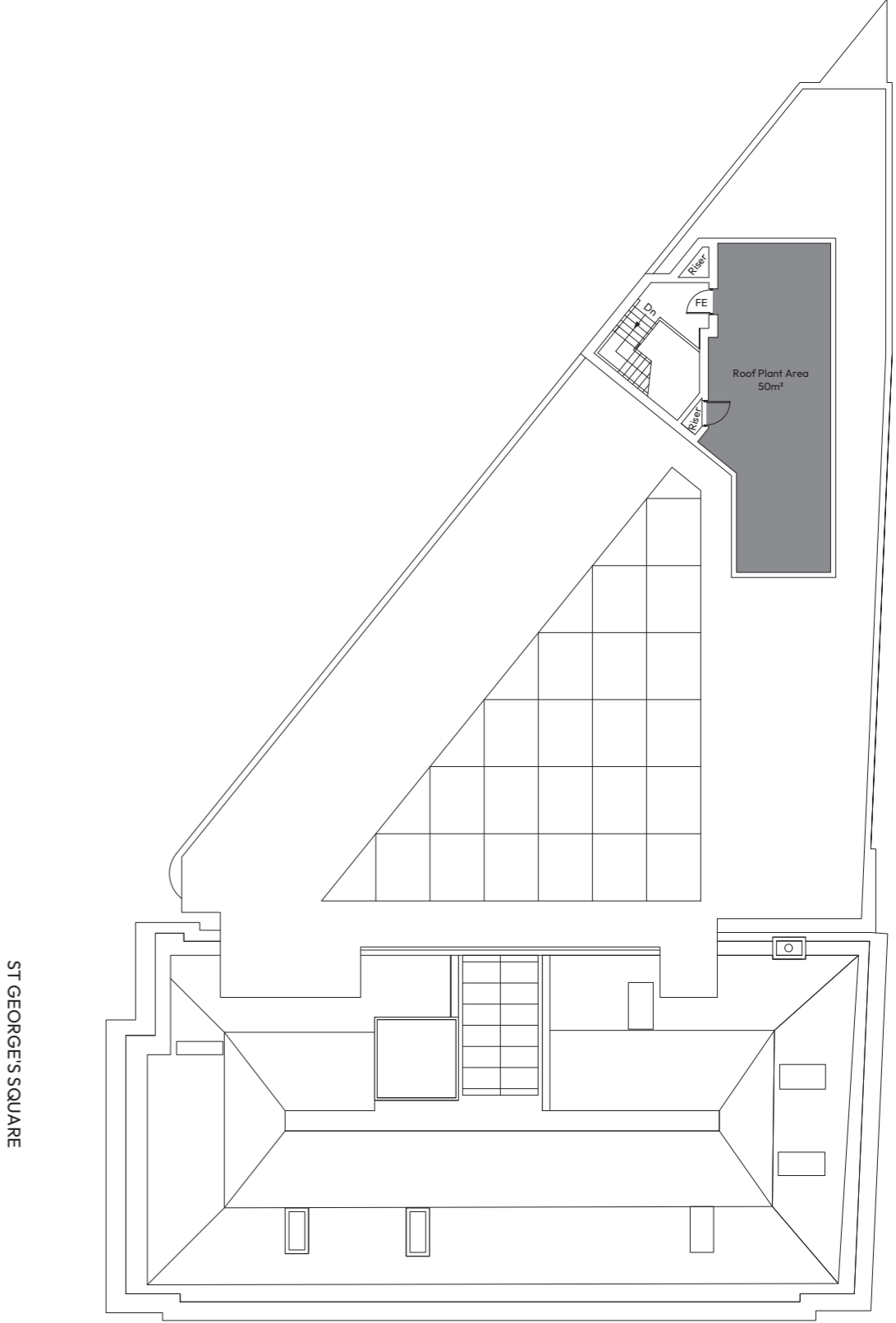


Proposed Fourth Floor Plan

- Hotel suites
- Back of house facilities



Proposed Roof Plan



Queensberry Real Estate.

We are proud to be leaders in both public and private sector regeneration schemes, redevelopments and refurbishments.



Friars Walk, Newport



Abbey Street Regeneration, Nuneaton



Heart of the City, Sheffield



Borough yards, Southwark



The Glass Works, Barnsley

Process for any interested parties

Interested parties are invited to submit a Letter of Interest by 5pm on Wednesday 27th April 2022 for the attention of:

Marc Finney, Director and Head of Hotels and Resorts Consulting at Colliers:

marc.finney@colliers.com

Colliers International
50 George Street
London, W1U 7GA

At this early stage, the LOI should include the following:

- Expression of interest
- Clarification of preferred operating structure
- Brand proposal for the hotel
- Indicative development / conversion cost range per key

For a HMA

- Initial HMA commercial terms.
- Indicative P&L projections.
- FF&E reserve provisions.

For a Lease

- Initial lease commercial terms
- Indication of covenant strength
- Rental uplift provisions



For further information
please contact:



www.colliers.com/uk/hotels

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Disturb.**

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